## REMARKS

Claims 1-33 are pending in the present application. Claims 1, 4-6, 9-11, 15, 16, 19-22, 26, 27 and 30-32 have been amended in this response.

In the Office Action mailed January 26, 2005, claims 1-33 were rejected. More specifically, the status of the application in light of this Office Action is as follows:

(A) Claims 1-31 were rejected under 35 U.S.C. § 101;

(B) Claims 4-6, 9-16, 19-22, 26, 30 and 31 were rejected under 35 U.S.C. § 112, second paragraph;

(C) Claims 22, 23, 25 and 26 were rejected under 35 U.S.C. § 102(a) as being anticipated by "Polytechnic University, Notebook Computer Lease Agreement, Fall 2000" (the "Lease Agreement");

(D) Claims 32 and 33 were rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 5,013,897 to Harman et al. ("Harman");

(E) Claims 1-20, 24, 27 and 29 were rejected under 35 U.S.C. § 103(a) as being unpatentable over the Lease Agreement;

(F) Claims 30 and 31 were rejected under 35 U.S.C. § 103(a) as being unpatentable over the Lease Agreement in view of Harman; and

(G) Claims 21 and 28 were rejected under 35 U.S.C. § 103(a) as being unpatentable over the Lease Agreement in view of "Keeping a Roof Overhead" (the "Roof Overhead").

The undersigned attorney wishes to thank the Examiner for engaging in a telephone conference on April 21, 2005, and requests that this paper constitute the applicant's Interview Summary. During the telephone conference, the present Office Action, the Lease Agreement, the pending claims, and a proposed amendment to claim 1 were discussed. The following remarks summarize and expand upon the points discussed during the April 21 telephone conference.

A. Response to the Section 101 Rejection

Claims 1-31 were rejected under 35 U.S.C. § 101. Specifically, with regard to claims 1-29, the Examiner stated "[i]n the present case, the claims only recite an abstract idea. The claims do not require or recite the use of any kind of technology and are not considered as being within the technological arts. The claims only recite an idea of how to go about providing or leasing computer equipment. Abstract ideas are considered non-statutory under 35 USC 101." (Office Action, p. 2.)

MPEP § 2106 recites:

> A process that consists solely of the manipulation of an abstract idea is not concrete or tangible. [Citations omitted] Office personnel have the burden to establish a *prima facie* case that the claimed invention as a whole is directed to solely an abstract idea or to manipulation of abstract ideas or does not produce a useful result. Only when the claim is devoid of any limitation to a practical application in the technological arts should it be rejected under 35 U.S.C. 101. [Citations omitted] Further, when such a rejection is made, Office personnel must expressly state how the language of the claims has been interpreted to support the rejection.

The Examiner has failed to satisfy his burden to establish a *prima facie* case that the claimed invention as a whole is directed to solely an abstract idea. As stated above, the Examiner must expressly state how the language of the claims has been interpreted to support the rejection. The Examiner has not done so. Conclusory statements that "the claims only recite an abstract idea," and the "claims do not require or recite the use of any kind of technology," are not only incorrect, but are also insufficient to establish a *prima facie* case that the claimed invention is non-statutory. Therefore, the Section 101 rejection of claims 1-31 is improper and should be withdrawn.

Moreover, even if the Examiner were to provide an explanation of how he has interpreted the claims, the Section 101 rejection would be improper because claims 1-31 are directed to statutory subject matter. 35 U.S.C. § 101 recites, "Whoever invents or discovers any new or useful process, machine, manufacture, or composition

of matter, or any new and useful improvement thereof, may obtain a patent therefor." MPEP § 2106 provides some guidance as to what a "process" includes:

> **(b) Statutory Process Claims**
>
> . . .
>
> **(i) Safe Harbors**
>
> . . .
>
> **Manipulation of Data Representing Physical Objects or Activities (Pre-Computer Process Activity)**
>
> Another statutory process is one that requires the measurements of physical objects or activities to be transformed outside of the computer data [citations omitted], where the data comprises signals corresponding to physical objects or activities external to the computer system, and where the process causes a physical transformation of the signals which are intangible representations of the physical objects or activities.

Claims 1-10, 16-18 and 27-29 are directed to methods in a computer system for providing computer equipment to a customer or component assembler. These claims clearly fall within the definition of a "process" set forth in MPEP § 2106. For example, claim 1 recites, *inter alia*, "receiving an indication from the customer that the lease is voluntarily terminated after an arbitrary, customer-selected time period has elapsed." This claim feature requires an activity external to the computer system (i.e., a customer voluntarily terminating a lease). Claim 1 further recites, "updating the database to indicate that the computer equipment is received back from the customer." This claim feature requires a physical transformation of the signals which are intangible representations of the physical activity. Accordingly, the Section 101 rejection of claims 1-10, 16-18 and 27-29 should be withdrawn because these claims fall within the definition of a process as set forth in MPEP § 2106.

Claims 30 and 31 are directed to a tangible computer-readable medium containing instructions capable of causing a computer to perform a method. In rejecting these claims, the Examiner states that "the claims are directed to non-statutory subject matter because the scope of the claims includes a computer readable medium that is

intangible." (Office Action, p. 3.) Claim 30 has been amended to be directed to a tangible computer-readable medium. Therefore, the Section 101 rejection of claims 30 and 31 should be withdrawn.

B. Response to the Section 112 Rejection

Claims 4-6, 9-16, 19-22, 26, 30 and 31 were rejected under 35 U.S.C. § 112, second paragraph. Claims 4-6, 9-11, 15, 16 and 19-21 have been amended to clarify that the claims are directed to "at least one component."

Claim 4 has also been amended to clarify that the computer equipment is sold or leased to "another customer." Moreover, regarding claim 4, the Examiner questions why the vendor is still being paid after the item has been purchased. The undersigned attorney traverses the Examiner's assertion that the claim is indefinite and notes that a party can continue to make payments after purchasing an item.

Claim 22 has been amended in accordance with the Examiner's suggestion to delete "periodic."

Claim 26 has been amended to recite, "paying a plurality of periodic payments."

Claims 30 and 31 have been amended to clarify that the claims are directed to a "computer-readable medium containing instructions."

C. Response to the Section 102(a) Rejection Over the Lease Agreement

Claims 22, 23, 25 and 26 were rejected under 35 U.S.C. § 102(a) as being anticipated by the Lease Agreement. For the reasons described below, the Lease Agreement fails to disclose all the features of claim 22.

1. Claim 22 Is Directed to a Method for Obtaining Computer Equipment Including Voluntarily Returning the Computer Equipment to an Entity Without Penalty After an Arbitrary Period of Time Has Elapsed

Claim 22 is directed to a method for obtaining computer equipment including leasing the computer equipment from a leasing entity by receiving the computer

equipment from the entity and paying to the entity at least one payment corresponding at least in part to a length of time the computer equipment is leased from the entity. The method further includes voluntarily returning the computer equipment to the entity without penalty after an arbitrary period of time has elapsed.

2. The Lease Agreement Requires a Student to Return the Notebook Computer to the University upon Premature Departure from the University

Students at Polytechnic University are required to lease a notebook computer from the University and sign the Lease Agreement. The Lease Agreement recites, "[f]ailure to enter into the notebook computer lease could have an adverse effect on your academic standing, as use of the notebook computer is essential to successful academic participation at the University." After a student graduates from the University and makes the final lease payment, the student has the option of purchasing the notebook computer from the University for One Dollar. If a student prematurely departs from the University, the student must immediately return the notebook computer to the Help Desk. Accordingly, a student cannot terminate the Lease Agreement and remain a student in good standing with the University.

3. The Lease Agreement Fails to Disclose Voluntarily Returning the Computer Equipment to the Entity Without Penalty After an Arbitrary Period of Time Has Elapsed

The Lease Agreement fails to disclose a method for obtaining computer equipment including, *inter alia*, "voluntarily returning the computer equipment to the entity without penalty after an arbitrary period of time has elapsed," as recited in claim 22. For example, assuming for the sake of argument that Polytechnic University in the Lease Agreement corresponds to the entity of claim 22, a student cannot voluntarily return the notebook computer to the University without penalty after an arbitrary period of time. Rather, a continuing student jeopardizes his or her academic standing by breaching the Lease Agreement and returning the notebook computer, and a student prematurely withdrawing from the University is required to return the notebook computer to the University. Consequently, the Lease Agreement fails to disclose voluntarily

returning computer equipment to an entity without penalty after an arbitrary period of time. Therefore, the Section 102(a) rejection of claim 22 should be withdrawn.

Claims 23, 25 and 26 depend from claim 22. Accordingly, the Section 102(a) rejection of claims 23, 25 and 26 should be withdrawn for the reasons discussed above with reference to claim 22 and for the additional features of these claims.

D. Response to the Section 102(b) Rejection Over Harman

Claims 32 and 33 were rejected under 35 U.S.C. § 102(b) as being anticipated by Harman. For the reasons described below, Harman fails to disclose all of the features of these claims.

1. Claim 32 Is Directed to a Computer System for Tracking Computer Leasing Information

Claim 32 is directed to a computer system for tracking computer leasing information including an identity tracker for tracking an identity of a piece of computer equipment and a lease payment tracker for tracking lease payments made by a customer leasing the piece of computer equipment. The system further includes a termination tracker for receiving an indication that the customer has terminated the lease of the computer equipment at a voluntary, arbitrary, customer-selected point in time without incurring a penalty to the customer for terminating the lease at the customer-selected point in time.

2. Harman Discloses a System for Renting Pre-Recorded Videocassettes

Harman discloses a system for renting pre-recorded videocassettes. The system includes an automatic videocassette dispensing terminal that communicates with, and becomes part of, a store's computerized videocassette rental system. The store's computer receives and stores information relating to customer rentals from both the automatic videocassette dispensing terminal and the manned point-of-sale terminal in the store. The automatic videocassette dispensing terminal projects through an exterior wall of the video store to provide 24-hour operation.

3. Harman Fails to Disclose a Computer System for Tracking Computer Leasing Information

Harman fails to disclose a computer system for tracking computer leasing information including, *inter alia*, "an identity tracker for tracking an identity of a piece of computer equipment," and "a termination tracker for receiving an indication that the customer has terminated the lease of the computer equipment at a voluntary, arbitrary, customer-selected point in time without incurring a penalty to the customer for terminating the lease at the customer-selected point in time," as recited in claim 32. For example, Harman's computer system tracks videocassette rentals and not pieces of computer equipment. Moreover, even assuming for the sake of argument that one of Harman's videocassettes corresponds to the piece of computer equipment of claim 32, Harman's system does not include a component that corresponds to the termination tracker of claim 32. Specifically, no component in Harman's system receives an indication that a customer has terminated the rental of a videocassette at a voluntary, arbitrary, customer-selected point in time without incurring a penalty to the customer. Harman's customers cannot terminate the rental of a videocassette without incurring a penalty or having to pay for the full rental of the cassette. Consequently, Harman fails to disclose all the elements of claim 32. Therefore, the Section 102(b) rejection of claim 32 should be withdrawn.

Claim 33 depends from claim 32. Accordingly, the Section 102(b) rejection of claim 33 should be withdrawn for reasons discussed above with reference to claim 32 and for the additional features of this claim.

E. Response to the Section 103(a) Rejection Over the Lease Agreement

Claims 1-20, 24, 27 and 29 were rejected under 35 U.S.C. § 103(a) as being unpatentable over the Lease Agreement. For the reasons described below, the Lease Agreement fails to disclose or suggest the features of these claims.

Independent claim 1 has, *inter alia*, features generally similar to those included in claim 22. Accordingly, for the reasons described above with reference to Claim 22, the Lease Agreement fails to disclose all the elements of claim 1. Moreover, one of

ordinary skill in the art would not be motivated to modify the Lease Agreement to include the features of claim 1 because the Lease Agreement teaches away from such a modification. Specifically, the clear intent of the Lease Agreement is to require students to lease a notebook computer while enrolled with the University. The Lease Agreement notes that if a student fails to enter the Lease Agreement, it will adversely affect the student's academic standing because use of the notebook computer is essential to successful academic participation at the University. Therefore, the Lease Agreement teaches away from allowing the students to voluntarily terminate the Agreement after an arbitrary, student-selected time period has elapsed, without incurring a penalty to the student as required by claim 1. Accordingly, the Section 103(a) rejection of claim 1 should be withdrawn because (a) the Lease Agreement fails to disclose or suggest all of the features of claim 1, and (b) one skilled in the art would not be motivated to modify the Lease Agreement to include the features of claim 1.

Claims 2-10 depend from claim 1. Accordingly, the Section 103(a) rejection of claims 2-10 should be withdrawn for the reasons discussed above with reference to claim 1 and for the additional features of these claims.

1. Claim 11 Is Directed to a Method for Providing Computer Equipment to a Customer Including Leasing a Component of Computer Equipment From a Vendor, Installing the Component in the Computer Equipment, and Leasing the Computer Equipment to a Customer

Claim 11 is directed to a method for providing computer equipment to a customer including leasing at least one component of the computer equipment from a vendor by receiving the component from the vendor and paying the vendor a periodic vendor payment. The method further includes installing the component in the computer equipment, and leasing the computer equipment to a customer in return for payment from the customer corresponding at least in part to the length of time the customer leases the computer equipment.

2. The Lease Agreement Fails to Disclose or Suggest Leasing a Component of Computer Equipment from a Vendor, Installing the Component in the Computer Equipment, and Leasing the Computer Equipment to a Customer

The Lease Agreement fails to disclose or suggest a method for providing computer equipment to a customer including, *inter alia*, "leasing at least one component of the computer equipment from a vendor," and "installing the at least one component in the computer equipment," as recited in claim 11. For example, assuming for the sake of argument that the notebook computer and student of the Lease Agreement correspond to the computer equipment and customer of claim 11, the Lease Agreement fails to disclose leasing at least one component of the notebook computer from a vendor and installing the at least one component in the notebook computer. The Examiner concedes this in the Office Action stating, "not disclosed is that computer components (at least one component of the computer equipment) are leased from a vendor as claimed." (P. 8.) The Examiner then argues that it would have been obvious to one of ordinary skill in the art "for Polytechnic to lease the computers from a vendor so that the school could take advantage of the financial" benefits of leasing. Applicant disagrees with the Examiner's assertion that it would have been obvious for the University to lease the notebook computers. But even if the Examiner's statement were correct, such a combination does not satisfy the requirements of claim 11. Specifically, claim 11 requires "leasing at least one component of the computer equipment from a vendor," and "installing the at least one component in the computer equipment." Accordingly, the Section 103(a) rejection of claim 11 should be withdrawn because (a) the Lease Agreement fails to disclose or suggest all of the elements of claim 11, and (b) one skilled in the art would not be motivated to modify the Lease Agreement to include the features of claim 11.

Claims 12-15 depend from claim 11. Accordingly, the Section 103(a) rejection of claims 12-15 should be withdrawn for the reasons discussed above with reference to claim 11 and for the additional features of these claims.

Independent claim 16 has, *inter alia*, features generally similar to those included in claim 1. Accordingly, the Section 103(a) rejection of claim 16 should be withdrawn

for the reasons discussed above with reference to claim 1 and for the additional features of claim 16.

Claims 17 and 18 depend from claim 16. Accordingly, the Section 103(a) rejection of claims 17 and 18 should be withdrawn for the reasons discussed above with reference to claim 16 and for the additional features of these claims.

Independent claim 19 has, *inter alia*, features generally similar to those included in claim 11. Accordingly, the Section 103(a) rejection of claim 19 should be withdrawn for the reasons discussed above with reference to claim 11 and for the additional features of this claim.

Claim 20 depends from claim 19. Accordingly, the Section 103(a) rejection of claim 20 should be withdrawn for the reasons discussed above with reference to claim 19 and for the additional features of claim 20.

Claim 24 has, *inter alia*, features generally similar to those included in claim 1. Accordingly, the Section 103(a) rejection of claim 24 should be withdrawn for the reasons discussed above with reference to claim 1 and for the additional features of claim 24.

3. Claim 27 Is Directed to a Method in a Computer System for Providing Computer Components to a Component Assembler Including Indicating Continued Periodic Payments from the Assembler After Having Received Total Payments from the Assembler for the Computer Component at Least Equal to the Initial Value of the Component

Claim 27 is directed to a method in a computer system for providing computer components to a component assembler including updating a database to indicate receiving from the assembler a commitment to lease at least a selected number of computer components and updating a database to indicate leasing each computer component to the assembler. The leasing includes providing the computer components to the assembler and receiving a plurality of periodic payments from the assembler. The method further includes indicating continued periodic payments from the assembler for at least one of the components after having received total payments from the

assembler for the computer component at least equal to an initial value of at least one computer component.

4. The Lease Agreement Fails to Disclose or Suggest Indicating Continued Periodic Payments from the Assembler for at Least One of the Components After Having Received Payments at Least Equal to the Initial Value of the Component

The Lease Agreement fails to disclose or suggest a method in a computer system for providing computer components to a component assembler including, *inter alia*, "indicating continued periodic payments from the assembler for at least one of the components after having received total payments from the assembler for the computer component at least equal to an initial value of at least one computer component," as recited in claim 27. For example, assuming for the sake of argument that the student and notebook computer of the Lease Agreement correspond to the assembler and the at least one component of claim 27, the Lease Agreement does not disclose or suggest continued payments from the student for the notebook computer after the University has received total payments from the student for the notebook computer equal to the initial value of the computer. As such, the Lease Agreement fails to disclose or suggest all the features of claim 27. Therefore, the Section 103(a) rejection of claim 27 should be withdrawn.

Claim 29 depends from claim 27. Accordingly, the Section 103(a) rejection of claim 29 should be withdrawn for the reasons discussed above with reference to claim 27 and for the additional features of claim 29.

F. Response to the Section 103(a) Rejection Over the Lease Agreement and Harman

Claims 30 and 31 were rejected under 35 U.S.C. § 103(a) as being unpatentable over the Lease Agreement and Harman. Claim 30 has, *inter alia*, features generally similar to those included in claim 1. Accordingly, for the reasons described above with reference to claim 1, the Lease Agreement fails to disclose or suggest all the features of claim 30. Moreover, Harman fails to cure the above-noted deficiency of the Lease Agreement to properly support a *prima facie* case of obviousness with respect to claim

30. Specifically, Harman fails to provide a motivation for modifying the Lease Agreement to allow a student to terminate the lease of the notebook computer at a voluntary, arbitrary, student-selected point in time. Accordingly, the Section 103(a) rejection of claim 30 should be withdrawn.

Claim 31 depends from claim 30. Accordingly, the Section 103(a) rejection of claim 31 should be withdrawn for the reasons discussed above with reference to claim 30 and for the additional features of claim 31.

G. Response to the Section 103(a) Rejection Over the Lease Agreement and Roof Overhead

Claims 21 and 28 were rejected under 35 U.S.C. § 103(a) as being unpatentable over the Lease Agreement in view of the Roof Overhead reference. Claim 21 depends from claim 19. Accordingly, for the reasons described above with reference to claim 19, the Lease Agreement fails to disclose or suggest all of the features of claim 21. Moreover, the Roof Overhead reference fails to cure the above-noted deficiency of the Lease Agreement to properly support a *prima facie* case of obviousness under Section 103(a). Specifically, the Roof Overhead reference fails to provide a motivation for modifying the Lease Agreement such that the University leases at least one component of the notebook computer from a vendor and installs the component in the notebook computer. Rather, the Roof Overhead reference teaches how to avoid eviction from your rental unit or the loss of your house when your income drops. Accordingly, the Section 103(a) rejection of claim 21 should be withdrawn.

Claim 28 depends from claim 27. Accordingly, for the reasons described above with reference to claim 27, the Lease Agreement fails to disclose or suggest all of the features of claim 28. The Roof Overhead reference fails to cure the above-noted deficiency of the Lease Agreement to properly support a *prima facie* case of obviousness under Section 103(a). Specifically, the Roof Overhead reference fails to provide a motivation to modify the Lease Agreement such that the student continues to pay periodic payments to the University for the notebook computer after the University

receives payments at least equal to the initial value of the notebook computer. Accordingly, the Section 103(a) rejection of claim 28 should be withdrawn.

H. Conclusion

In light of the foregoing amendments and remarks, all of the pending claims are in condition for allowance. Applicant, therefore, requests reconsideration of the application and an allowance of all pending claims. If the Examiner wishes to discuss the above-noted distinctions between the claims and the cited references or any other distinctions, the Examiner is encouraged to contact David Dutcher by telephone. Additionally, if the Examiner notices any informalities in the claims, he is also encouraged to contact David Dutcher to expediently correct any such informalities.

Respectfully submitted,
Perkins Coie LLP

Date: May 26, 2005

David T. Dutcher
Registration No. 51,638

**Correspondence Address:**
Customer No. 25096
Perkins Coie LLP
P.O. Box 1247
Seattle, Washington 98111-1247
(206) 359-8000